

Appln No. 09/690,083
Amdt date March 1, 2004
Reply to Office action of September 30, 2003

REMARKS/ARGUMENTS

Claims 1-120 are presently pending. Applicants respectfully request reconsideration and allowance of the application based on the following response, which accompanies Applicant's Request for Continued Examination, filed concurrently herewith.

The Examiner has provisionally rejected claims 1-71 under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1-70 of copending application 09/688,456. A suitable terminal disclaimer intended to obviate the double patenting rejection is submitted herewith.

The Examiner has rejected claims 1-120 under 35 U.S.C. §103(b) as being unpatentable over Leon, U.S. Patent 6,424,954 ("Leon") in view of Whitehouse, U.S. Patent 6,005,945 ("Whitehouse") in further view of Cordery et al., U.S. Patent 6,567,794 ("Cordery et al."). Applicants submit that all of the pending claims in the application are patentable over the relied upon references, and respectfully request reexamination, reconsideration and allowance of this application.

Previously presented independent claim 1 includes, among other limitations, "A cryptographic device for securing data on a computer network comprising: a processor programmed to authenticate a plurality of users on the computer network for secure processing of a value bearing item, wherein the processor includes a state machine for determining a state corresponding to availability of one or more commands; a memory for storing security device transaction data for ensuring authenticity of a user, wherein the security device transaction data is related to the one of the plurality of users; a module for processing value for the value bearing item; a cryptographic engine for cryptographically protecting data; and an interface for communicating with the computer network; wherein the cryptographic device is located remotely from the plurality of users. Claim 42 also contains limitations similar or analogous to the underlined limitations, and claims 72 and 104 refer to the storage of such data in a database.

In reference to claim 1, the Examiner admits that "the combination of Leon and Whitehouse fails to teach an inventive concept wherein the cryptographic module is remotely located from the user." Office Action p. 5. The Examiner then relies upon the teachings of Cordery et al. in combination with Leon and Whitehouse to modify the combination of Leon and Whitehouse to include the inventive concept in which the cryptographic module is remotely located from the user. However, the Examiner continues to rely upon the combination of Leon

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and Whitehouse for the limitation of a memory for storing security device transaction data for ensuring authenticity of a user, wherein the security device transaction data is related to the one of the plurality of users. There must be a motivation to combine the teachings of each of the relied upon references. The Examiner's further reliance on Cordery et al. does not cure the lack of compatibility and motivation to combine the teachings of Leon and Whitehouse as to the underlined limitation.

In particular, the claimed invention is not disclosed by Leon, the primary reference cited by the Examiner in support of the Section 103(a) rejection. Leon is of the category of specialized hardware-based systems located at the user's site that are specifically distinguished in the Background section of the present application. Leon's system teaches a dedicated postage metering system (SMD) connected to the user's computer as an external hardware device or circuit card that is portable. The SMD couples to the personal computer via a communications link 122 that can be a serial link such as an RS-232 interface. By carefully partitioning the various features of the metering system, Leon teaches that the SMD can be manufactured in a relatively small size and low cost unit. See Leon, col. 2, lines 29-40, col. 3, line 61- col. 4, line 20, FIGs. 1A and 1B. In Leon's system, each SMD performs state functions. See Leon, cols. 9, 10. Accordingly, in Leon's system, depending on the number of users, there may be thousands of individual localized SMDs attached to each user's PC. None of the SMDs disclosed in Leon are meant to be disassociated from a PC.

In marked contrast to the teachings of Leon, Whitehouse specifically teaches away from a localized SMD attached to the user's computer, and instead focuses on a system for electronic distribution of postage including one or more secure central computer. According to Whitehouse, "[a] key aspect of the system is that all secure processing required for generating postal indicia is performed at secure central computers not at end user computers, thereby removing the need for specialized secure computational equipment at end user sites." See Whitehouse, Abstract, col. 6, lines 21-30, FIG 4.

Accordingly, there is no motivation to combine the memory of Whitehouse with the features of Leon, because the systems are so different that one would not look to the teachings of the centralized system of Whitehouse in order to obtain the missing element. Furthermore, there are no teachings in the Leon or Whitehouse references as to how those references should be combined to provide Applicants' claimed system. Leon is simply not designed for a plurality of users while Whitehouse is not designed for a local user, and therefore there is no motivation to

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combine a feature of Whitehouse's centralized system with the features of Leon that are intended specifically for a single, localized PC.

As Leon and Whitehouse specifically teach against the use of the other's system, the requisite motivation to combine is missing. Further, there are no teachings in either Leon or Whitehouse that teach how to take the individual features of Leon, which presumably include the state functions, that have been carefully and particularly partitioned to provide a low cost portable device and include those features in one or more secure central computers with a memory for storing security transaction data for one of a plurality of users. Hindsight reconstruction based on Applicants' teachings may not be used to sustain a rejection under Section 103(a). Accordingly, Applicants request that the rejection of claims 1-120 be withdrawn.

In view of the foregoing amendments and remarks, Applicants respectfully submit that this application is now in condition for allowance, and accordingly request early issuance of a Notice of Allowance.

Respectfully submitted,

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